

# Commonwealth of Massachusetts

Executive Office of  
Housing and Economic  
Development



## Putting Massachusetts Back to Work

An Update on the Commonwealth's Economic  
Development Plan

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MA Secretary of Housing and Economic Development  
May 14, 2013

# Choosing to Compete in the 21st Century



**Public**

**Private**

**Academic**

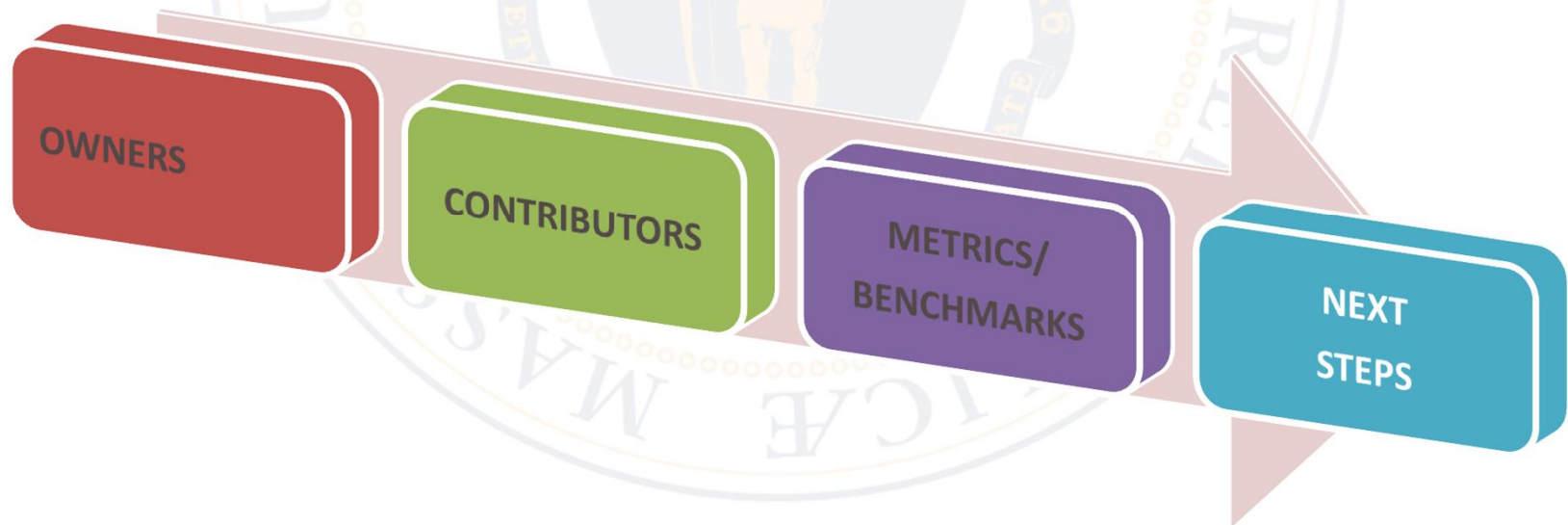
- Advance Education and Workforce Development for Middle Skills Jobs
- Support Innovation and Entrepreneurship
- Support Regional Development
- Increase the Ease of Doing Business
- Address Our Cost Competitiveness

[www.mass.gov/compete](http://www.mass.gov/compete)

# Process



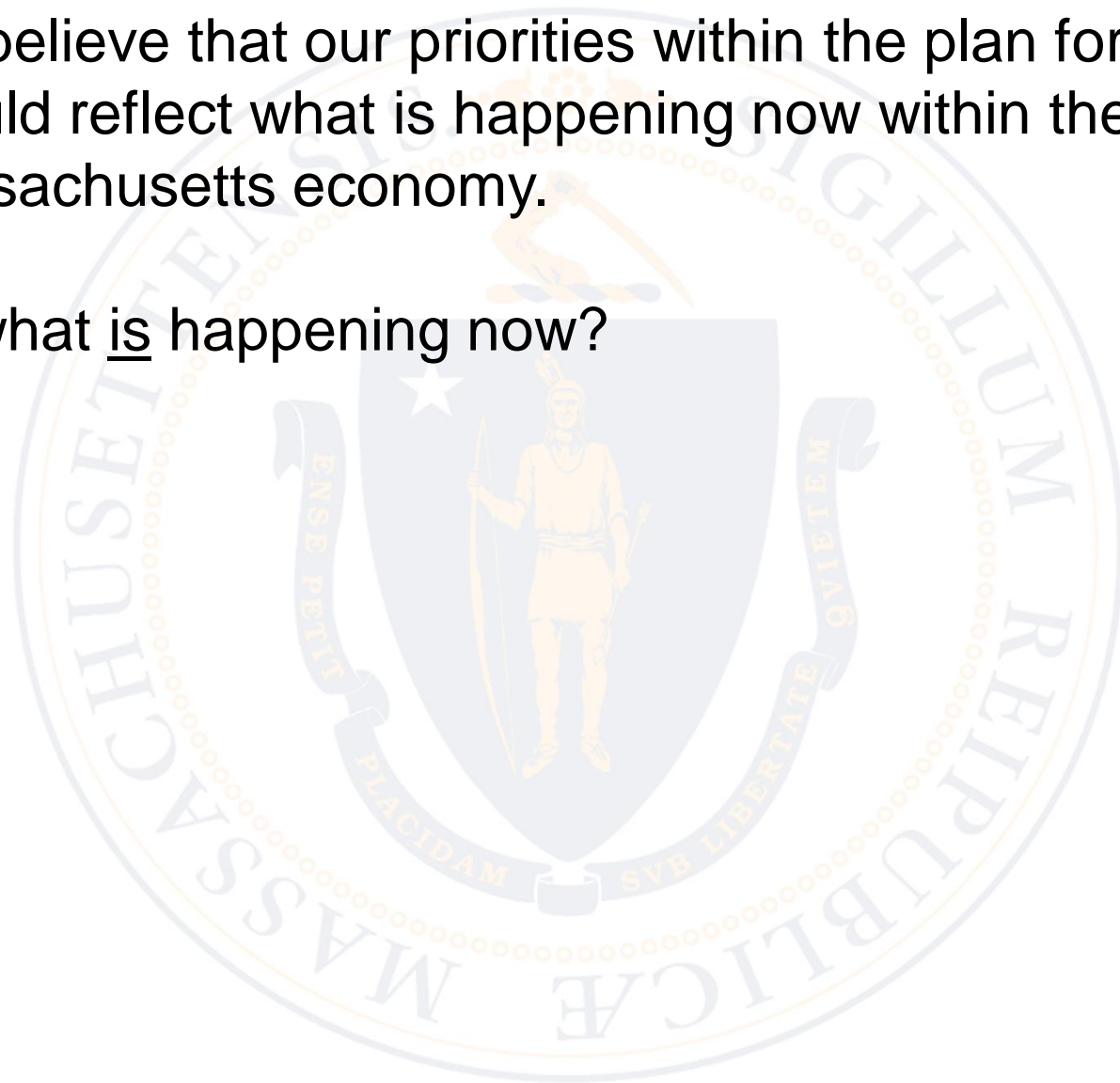
- Owners and Contributors assigned to each of the 55 Action Items
- Action Items have Metrics, Benchmarks and Next Steps identified, using a five year perspective
- Progress reported publicly at [mass.gov/compete](http://mass.gov/compete) and at annual summit



# What should be our priorities within the plan for 2013?



- We believe that our priorities within the plan for 2013 should reflect what is happening now within the Massachusetts economy.
- So what is happening now?



# So how is the Massachusetts economy actually doing?



## Our Prior Performance

- Massachusetts suffered greatly during the national recession of 2001
- Indeed, as of the start of the next downturn in 2008, we were one of only four states that did still had fewer jobs than at the 2001 peak
- The others were Illinois, Michigan and Ohio

# How is the Massachusetts economy doing?



## Our Recent Performance

- Massachusetts also suffered during the Great Recession
- But as of January 2013, we had regained the total number of jobs that we had at our pre-recession peak in March 2008
- Only seven states have been able to do that
- Most are natural resource states, including North Dakota, South Dakota and West Virginia



# How is the Massachusetts economy doing?



## Our Current Performance

- The Massachusetts economy grew at an estimated 3.9% annual rate in CY13 Q1, versus an estimated 2.5% for the US
- At the current job growth rate, Massachusetts will exceed its 2001 employment peak in 2014
- But we are recovering at a different pace across regions and those differences are reinforcing old patterns of economic opportunity and economic challenge

# Places where the Massachusetts innovation economy is on a roll



Selected local unemployment rates for March 2013 within the **Boston/Cambridge metro area**:

Boston	5.8%
Cambridge	3.5%
Somerville	4.2%
Arlington	4.0%
Brookline	2.9%
Watertown	4.3%
Belmont	3.8%

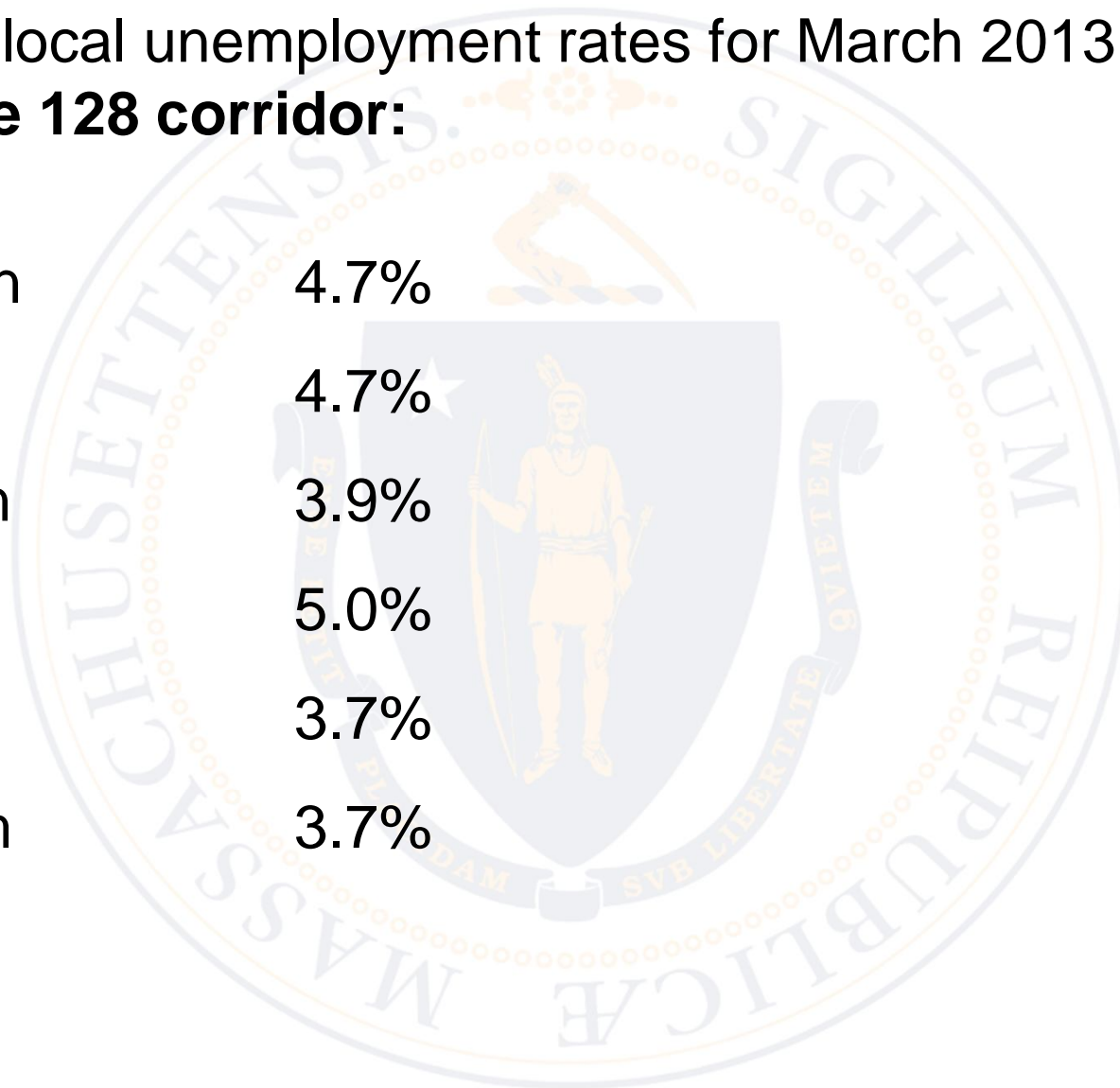


# Places where the Massachusetts innovation economy is on a roll



Selected local unemployment rates for March 2013 along the **Route 128 corridor**:

Burlington	4.7%
Bedford	4.7%
Lexington	3.9%
Waltham	5.0%
Newton	3.7%
Needham	3.7%

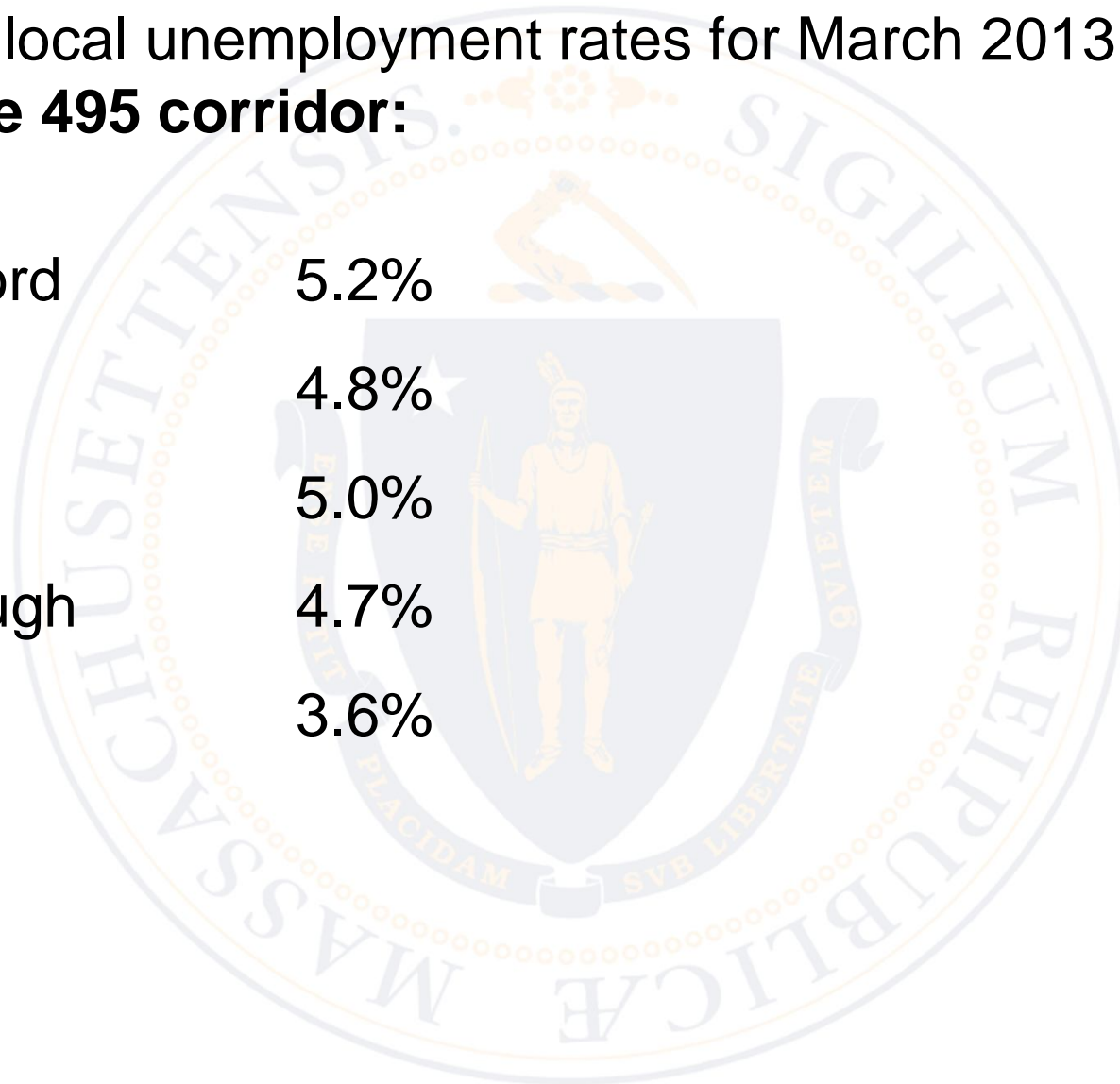


# Places where the Massachusetts innovation economy is on a roll



Selected local unemployment rates for March 2013 along the **Route 495 corridor**:

Chelmsford	5.2%
Westford	4.8%
Littleton	5.0%
Boxborough	4.7%
Acton	3.6%



# Priority next steps involve “adding fuel to the fire”



## Talent Retention



Promoting talent retention with internships (action step 2.2.1)

## Transportation



Improving and expanding transportation infrastructure to keep pace with growth (action steps 3.1.2, 3.1.4)

## Housing



Increasing the construction of apartments (action step 2.2.2)

# There are places where economic recovery is significantly slower:



Selected local unemployment rates for March 2013 along the **Route 2 corridor, west of 495:**

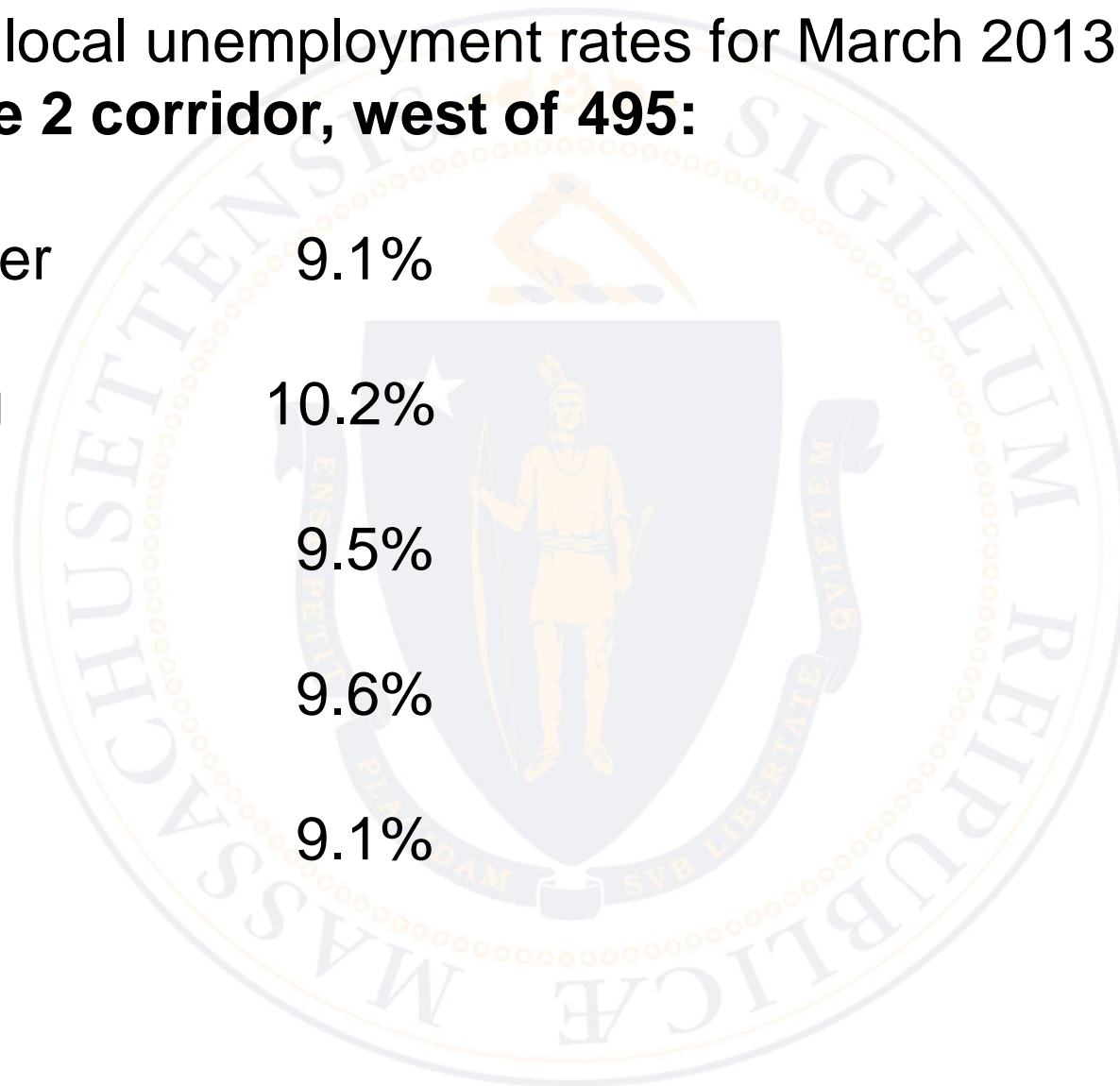
Leominster 9.1%

Fitchburg 10.2%

Gardner 9.5%

Athol 9.6%

Orange 9.1%





# What should be our priorities within the plan for 2013?



Selected local unemployment rates for March 2013 in **Western Massachusetts** (Hampden County):

Springfield 10.7%

Holyoke 9.9%

Chicopee 8.3%

Westfield 7.3%

Agawam 6.7%

Ludlow 11.7%



# What should be our priorities within the plan for 2013?



Selected local unemployment rates for March 2013 on the  
**South Coast:**

New Bedford 14.0%

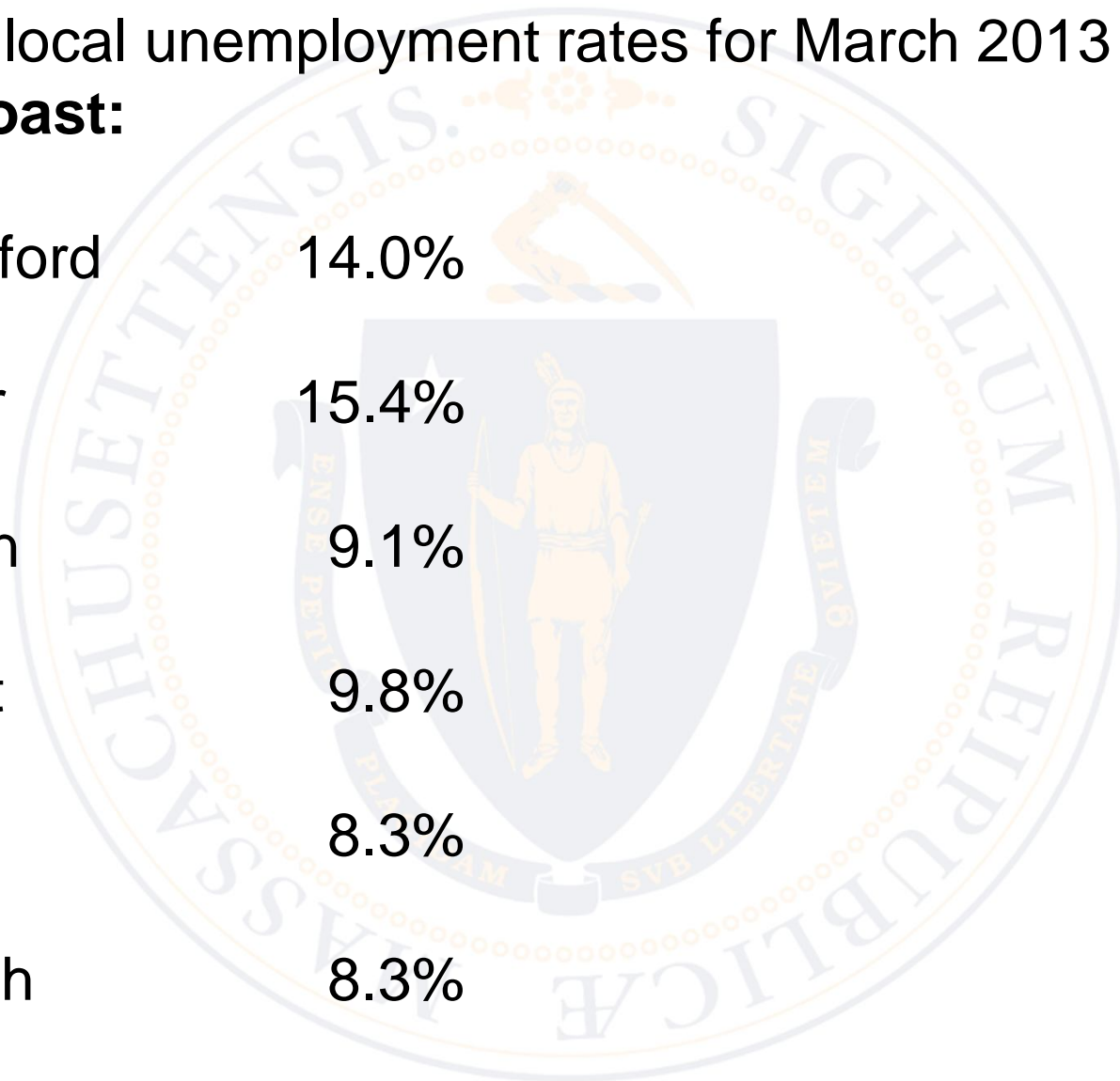
Fall River 15.4%

Fairhaven 9.1%

Acushnet 9.8%

Freetown 8.3%

Dartmouth 8.3%



# Priority next steps involve “turning a spark into a flame”



## Market Strengths



Identifying regions' competitive strengths and marketing them (back office initiative) (action step 2.4.4)

## Support Clusters



Supporting the growth of key industry clusters that are competitive today (advanced manufacturing, tourism) (action step 2.4.2)

## Education/Workforce



Improving education & workforce development pathways for high-demand middle-skill jobs (action steps 1.2.1, 1.2.2)

When government, industry and academia collaborate...



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